Florida Programs and Policies

Southeast CHP Initiative Kickoff Meeting

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Florida Energy 2020 Study Commission: Five Goals

- Florida will be a leader in using energy wisely.
- Florida will have sufficient energy supply to boost economic development and maximize economic prosperity for all Floridians.
- ◆ Florida will have an energy infrastructure that assures the reliable delivery of electricity to consumers.
- Florida will have an energy supply and delivery system that preserves Florida's environment.
- ◆ Florida will be a leader in encouraging the future growth and development of next generation energy technologies and renewable sources of energy.



- Wholesale market restructuring
- Retail market restructuring
- Public benefits
- Fiscal impacts
- Economic development

2020 Commission Findings and Recommendations

- Energy efficiency: study potential savings, invest, public facilities, utility rate incentives, load management and control
- ◆ <u>Supply</u>: competitive wholesale market and acquisition process, remove barriers to merchant plants, eliminate power plant siting board, non-discriminatory access to transmission system, transition generation assets to market, monitor competition, mandatory reliability standards for bulk power, protect against cross-subsidization, performance and/or incentive rate structures, monitor development and effectiveness of competition, transition to new tax system
- Infrastructure: predictable transmission siting process, reasonable site condition standards for substations, clarify criteria for crossing state lands, fair market value for adverse impacts of crossing natural resource lands, (cont.)

2020 Commission Findings and Recommendations (cont.)

- Infrastructure (cont.): co-location of new transmission lines, streamline licensing of transmission line projects, shorten post-certification review for transmission lines using best management practices, review Transmission Line Siting Act
- ♠ Environment: principles for new emission reduction, multipleemission control approach, utility ownership and banking rights of expanded air quality increments from voluntary emission reductions, cap and trade programs, tracking of green house gas emissions, stakeholder input for efficient and least intrusive transmission line corridors, efficient use and reuse of water for electric power production
- New technologies and renewables: sustainable portfolio standard, identification of technologies for near-term application, remove interconnection and other barriers

Public Policy on the Use of Renewable Energy in Florida

- ◆ The 2002 Florida Legislature (H.B. 1601) directed the Public Service Commission and Department of Environmental Regulation to perform a study defining public policy on the use of renewable energy.
- The study shall include an assessment of costs, feasibility, deployment schedules and impact on the environment.
- The study shall describe options and mechanisms to encourage increased deployment of renewable energy in the State.
- The results of the study shall be submitted to the President of the Senate and the Speaker of the House by February 1, 2003.

Renewable or green energy includes the following:

Biomass

- combustible residues or gasses from forest products manufacturing
- agricultural products, by-products and orchard crops
- waste products from livestock and poultry operations and food processing
- wood waste
- municipal solid waste
- municipal liquid waste treatment operations
- landfill gas
- Geothermal energy
- Solar energy
- Wind energy
- Ocean thermal gradient power
- Hydroelectric power

Status of the FPSC Study

- ♦ A *questionnaire* was developed and extensive data has been collected on existing and planned renewable energy projects.
- ◆ A Florida Public Service Commission *staff workshop* was conducted on July 2, 2002 in Tallahassee.
- A Commissioners' workshop was conducted in Jacksonville on August 20, 2002.
- Over 50 presentations (typically 15-minutes duration) were made at the first two workshops. Groups represented included utilities, renewable energy industry, environmentalists, and academicians.
- Policy options discussed included system benefit charges, renewable portfolio standards, government financing, tax incentives, rebates, green pricing and competitive markets.
- ♦ A third staff workshop is in the planning stage and a report to the Florida Legislature is due February 1, 2003.